

MEETING MINUTES CITY OF MILPITAS

Minutes of: Joint Meeting of Milpitas City Council and the Milpitas Housing Authority
Date: Tuesday, February 20, 2018
Time: 6:00 PM Closed Session
7:00 PM Open Session
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

CALL TO ORDER Mayor Tran called the joint meeting to order at 6:00 PM. City Clerk Mary Lavelle called the roll.

PRESENT: Mayor Tran, Vice Mayor Grilli, Councilmembers Barbadillo, Nuñez and Phan

ABSENT: None

CLOSED SESSION City Council convened in Closed Session to discuss labor negotiations and litigation matters, as listed on the agenda. City Attorney Chris Diaz said the Mayor would excuse himself from item (e) on the Closed Session agenda.

City Council then convened in Open Session at 7:17 PM with all members present.

ANNOUNCEMENT The City Attorney stated there was no reportable action out of Closed Session.

PLEDGE Mayor Tran led the pledge of allegiance.

INVOCATION Councilmember Barbadillo asked for a moment of silence in honor of the victims of the school shooting in Florida the previous week. He then offered the invocation prayer.

PRESENTATION None

PUBLIC FORUM Voltaire Montemayor, resident, mentioned prioritizing the budget, and the six focus areas identified by City Council at its recent budget workshop.

ANNOUNCEMENTS Vice Mayor Grilli recently attended a Board Meeting of Silicon Valley Clean Energy where it was confirmed that the start date of service in Milpitas would be in June of 2018.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS City Attorney Diaz asked Councilmembers if they had any personal conflicts of interest or reportable campaign contributions. None were reported.

APPROVAL OF AGENDA Motion: to approve the meeting agenda, as submitted

Motion/Second: Vice Mayor Grilli/Councilmember Nuñez

Motion carried by a vote of: AYES: 5
NOES: 0

CONSENT CALENDAR The Mayor requested Councilmembers state which items they wished to place onto the consent calendar. Mayor Tran requested agenda items no. 8, 12, 15 and 16.

Vice Mayor Grilli agreed with the Mayor's request and to add items no. 1 and no. 2 .

Councilmember Nuñez said he would like to have a presentation on no. 12.

Councilmember Phan requested to add items no. 6 and no. 14, however, the Mayor wanted to discuss both of those items.

Motion: to approve the Consent Calendar with items on the list determined at the meeting: numbers 1, 2, 8, 15 and 16

Motion/Second: Councilmember Nuñez/Vice Mayor Grilli

Motion carried by a vote of: AYES: 5
NOES: 0

*1. Council Calendar Accepted City Council calendars for February and March 2018.

*2. Meeting Minutes Approved City Council meeting minutes of January 31 and February 3 and 6, 2018.

PUBLIC HEARINGS

3. Weed Abatement Program Deputy Fire Chief/Fire Marshal Albert Zamora explained the steps taken to date for the annual Weed Abatement Program. It was time for the City Council to adopt the resolution authorizing the County to abate weeds on identified parcels. He then introduced Mr. Moe Kumre from the County Agriculture Office, who was available to answer any questions.

Councilmember Barbadillo asked if any property owners objected to the clearing of weeds and lien of the costs. The Fire Marshal said no.

Councilmember Phan asked if there were any objections, why would owners object to the City and not the County. Fire Marshal Zamora replied that property owners might want to clear the weeds themselves instead of the County.

Mayor Tran asked if there was an empty lot, a commercial lot, was that under the same regulation as the residential property owner? The Fire Marshal replied yes. The Mayor inquired further about fines that were possible for failure to abate weeds.

Next, the Mayor opened the public hearing for any speakers.

Voltaire Montemayor, Milpitas resident, said he was for the public and the City. Weeds were eyesores, and ultimately deter the soil, and were destructive as a fire hazard when dry.

Motion: to closed the public hearing, following one speaker

Motion/Second: Vice Mayor Grilli/Councilmember Nuñez

Motion carried by a vote of: AYES: 5
NOES: 0

Motion: to adopt Resolution No. 8747 directing the County Agricultural Commissioner to abate the nuisance (weeds), keep an account of the cost, and embody such account in a report and assessment list to the City Council per Milpitas Municipal Code for the 2018 weed abatement program

Motion/Second: Vice Mayor Grilli/Councilmember Barbadillo

Motion carried by a vote of: AYES: 5
NOES: 0

4. 551 Lundy Place
residential project

Associate Planner Lillian Hua presented the residential townhome project for development at 551 Lundy Place with 89 units proposed on a 3.65 acre site, with some tandem parking, and the vesting tentative map for approval. This development was related to a previous project at 1992 Tarob Ct., located in the Transit Area Specific Plan area near BART. She discussed details of the development, and the proposal for parking requirements. The applicant was present, if the City Council had any questions.

Mayor Tran invited the applicant to the podium, and Ms. Leah Beniston, representative of True Life Companies, addressed the City Council with additional visual display of the project. She identified a list of community benefits, as was done on the other Tarob Ct. projects.

Councilmember Phan asked about the public art fee paid by the developer (as identified).

Vice Mayor Grilli asked to review the slide presented on Economic Benefits to the City.

Councilmember Barbadillo inquired about parks, and on the details of the acreage for a walking trail. Recreation Director Renee Lorentzen explained that this proposed trail was part of the Parks Master Plan, and connecting the trail to the creek would go before the Parks, Recreation and Cultural Resources Commission.

Councilmember Nuñez commented on the list of community benefits, which the developer expressed on a list of "economic benefits." The community benefit of \$1,000,000 was the amount toward affordable housing, which was a gift to the City. He asked for explanation of the TASP fee paid and the City Attorney responded. Mr. Nuñez may want to recommend change to the way the TASP fees were allocated, how the fees were split out and applied. On the Public Art Fee, he asked if it went only to that purpose. The City Attorney said yes. Councilmember Nuñez said thank you to the developer for the amount of funds for affordable housing.

Mayor Tran next opened the public hearing.

Voltaire Montemayor, resident, felt this project was encouraging and was beautiful for the city.

Michael Tsai, resident, said this project looked good and the affordable housing contribution was very welcome toward the critical shortage of housing in the community.

Suraj Viswanathan, resident, opposed the project when he visited the Planning Commission hearing on this one. But, it was a compromise to receive the money for affordable housing. He urged the City not to drag the project out too long. Set a time table for use of the money.

Motion: to close the public hearing following three speakers

Motion/Second: Vice Mayor Grilli/Councilmember Phan

Motion carried by a vote of: AYES: 5
NOES: 0

Vice Mayor Grilli said there was a need to look at the total impact of this housing development, and what that would be for the overall project - not just this current townhouse project. She would like to re-visit the public art fee in the future, too.

Motion: to adopt Resolution No. 8748 approving the Major Vesting Tentative Map, Site Development Permit, and Conditional Use Permit for the 551 Lundy Place residential project

Motion/Second: Vice Mayor Grilli /Councilmember Phan

Motion carried by a vote of: AYES: 4
NOES: 0
ABSTAIN: 1 (Tran)

UNFINISHED BUSINESS

5. Appointment to VTA PAC

Mayor Tran asked for the name of any volunteer Councilmember to serve on the Santa Clara Valley Transportation Authority's Policy Advisory Committee (PAC), for a term of two years. Last year, Councilmember Nuñez was appointed to serve as the City Council representative to the PAC which meets occasionally to discuss transportation issues.

Councilmember Nuñez commented on this position, which he had sat on last year, where lots of valuable information was provided to the members on transportation policy at VTA. He could not serve any longer since he served on the Board of Directors at this time. Serving on the PAC allows helpful access in person to the VTA General Manager.

Councilmember Barbadillo said he could do it, and Vice Mayor Grilli would serve as alternate.

Motion: to appoint Councilmember Barbadillo to serve as the City Council representative to the Santa Clara Valley Transportation Authority's Policy Advisory Committee, and Vice Mayor Marsha Grilli would be the alternate

Motion/Second: Councilmember Nuñez/Councilmember Phan

Motion carried by a vote of: AYES: 5
NOES: 0

6. Encroachment Agreement with Verizon / MCI

City Engineer Steve Erickson explained the request that the City had received from Verizon/MCI for transmission services for installation of cellular network facilities. It would allow the City with better leverage when such requests come to the City in the future.

Motion: to approve and authorize the City Manager to execute a Master Encroachment Agreement with MCI Metro Access Transmission Services Corp. doing business as Verizon Access Transmission Services for installation of network facilities within public right-of-way

Motion/Second: Councilmember Nuñez/Vice Mayor Grilli

Motion carried by a vote of: AYES: 5
NOES: 0

7. Housing Authority Resolution

Housing Manager Tim Wong provided information about the housing unit that was currently for sale by the below-market rate owner of the town home. There was litigation against the builder going on, and the owner would like to sell. Mr. Wong explained that the Housing Authority received notification from the property owners of 1101 S. Main Street #112 that they intend to sell their moderate-income affordable housing unit. The affordable sales price for the unit was approximately \$454,309 while the current owners bought it for \$362,000 in March 2008.

Each owner-occupied affordable housing unit that is governed by resale restrictions is required to meet certain obligations when the unit is sold. When an affordable unit is sold, the Resale Restriction Agreement provides three potential outcomes.

Three options were possible for below-market-rate (BMR) housing units:

1. an income qualified household could purchase the unit
2. the Housing Authority board executes a purchase option
3. the City releases the unit from resale restrictions (allowing it for market sale)

Mayor Tran asked questions about the lawsuit that the homeowners group was involved in. Staff explained it was not related to major structural damage issues.

Councilmember Phan asked how the City would market the home for sale, and staff responded. Mr. Phan wanted to know about all units the city owned as BMR units.

Vice Mayor Grilli asked how long the unit was empty and staff replied two months. She asked what would happen if the City did nothing. Staff said the owner would need to keep making the payments on the property and the HOA fees. Staff recommended purchasing the unit and to allow it to stay vacant until the lawsuit was resolved (since financing would be quite difficult). She asked if the City could finance the mortgage, and the City Attorney believed it could.

Councilmember Barbadillo asked when the City was notified when a unit became available for sale. Staff replied when a low income owner wished to sell, the City must be informed. Mr. Barbadillo urged the City to purchase it.

Councilmember Nuñez made further comments on the unit, and its sale versus financing. He asked about the balance of funds in the Housing Authority currently, and staff said \$8 million approximately. Mr. Nuñez noted the City could sell the unit after the litigation concluded, and maybe consider being the “bank” for lending to a low income owner who wanted to buy it.

Motion: to adopt Housing Authority Resolution No. HA21 authorizing the Executive Officer of the Housing Authority to exercise the purchase option to purchase the unit located at 1101 S. Main St. #112, Milpitas, CA for \$454,309; and to approve a budget appropriation of \$454,309 from the Housing Authority Fund to purchase the unit

Motion/Second: Authority Member Barbadillo/Member Nuñez

Motion carried by a vote of: AYES: 5
NOES: 0

REPORTS

*8. Council Subcommittee on Commissions

Approved the following appointments:

City Council liaison to Chamber of Commerce – Vice Mayor Marsha Grilli

Telecommunications Commission

Moved current Commissioner Albert Alcorn into a vacant seat with a term to expire in January 2020.

Moved current Alternate No. 1 Anh Bao into a seat with a term to expire in January 2019.

Newly appointed Jamie Hallera to serve as Alternate No. 1 with a term to expire in January 2019.

Newly appointed Ratan Choudhury to serve as Alternate No. 2 with a term to expire in January 2020.

9. Formation of Task Force

Vice Mayor Grilli referred to issues raised with the Sunnyhills Apartments complex last year. The County had recommended considering a Just Cause Eviction ordinance. But she would like to talk to residents about this policy before asking the City Attorney to bring the ordinance back to Council (originally had asked for it this month). She would like to bring together property owners and tenants to look at this, build relationships, and have the task force, with a time certain, and an end date in August.

Councilmember Nuñez was supportive. He was looking at who would be invited to serve on the Task Force. He asked what department would staff a Task Force, and the City Manager said Planning Housing Division would be most appropriate. He asked if the end date of August was reasonable, or should it be pushed out farther. Planning Manager Jessica Garner responded that August was ambitious, while the Planning staff would certainly move ahead as directed.

Councilmember Phan asked to let the Task Force roll out the policy as needed. So if August was not met, then it could be a rolling timeline. In terms of members, he hoped there would be equal representation from tenants’ rights community and property owner representatives. Vice Mayor Grilli agreed with his comments, along with flexibility.

Mayor Tran invited comments from the public.

Tom Valore, resident, had recently participated in a Task Force that dragged on, and referred to difficulty encountered. One of those was specificity of the tasks that Council wanted accomplished, or what question did it want answered.

A California Apartments Association representative felt this was a really good way of approaching this issue. He'd been involved in such groups with other cities, and each came up with its own way of dealing with topics.

Michael Tsai, resident and South Bay YIMBY member, felt this was a good idea and a step in the right direction. He felt this was what the community needed and having a structure.

Suraj Viswanathan, resident, commented on the benefit of such a task force, and to find the goals to assist residents, needed so much in this community.

Voltaire Montemayor, resident, spoke of the comments he heard every day, that people could not afford the rent in Milpitas.

Interim City Manager Dianne Thompson remarked on the guidance needed to be given to the Task Force, to be clear that its purpose was to discuss a Just Cause Ordinance, as the boundaries of their assignment (not all housing issues).

Mayor Tran thought it would be geared to renters. He wanted the task force to discuss rent control. Ms. Thompson responded that was a more complex issue, and would take longer than returning in August. City Attorney Chris Diaz remarked that rent control was quite controversial in some cities recently.

Vice Mayor Grilli brought this forward based on what Council saw and heard from Sunnyhills Apartment residents, and then in response to what the County had suggested. She did not want to add rent control to the proposed task force.

Councilmember Phan said the Council could leave the Task Force to determine which issues to pick on, later. At this meeting, City Council was only considering formation of the group. If the Vice Mayor recommended to start only with the Just Cause Ordinance, that was fine.

Motion: to form a Task Force, study and return with recommendation on a Just Cause Eviction ordinance and/or Income Discrimination ordinance

Motion/Second: Councilmember Nuñez/Councilmember Barbadillo

Motion carried by a vote of: AYES: 5
NOES: 0

10. Letter Opposing SB827

Councilmember Nuñez commented on the request by League of California Cities, wherein the legislation would allow the loss of any kind of authority on zoning near the BART station within the City.

Councilmember Phan had concerns about the bill also since it removed local control of the planning process. He wanted to reserve the right locally, and not to give local authority to the state on such matters.

Mayor Tran next allowed public comments.

Michael Tsai, South Bay YIMBY, said it was something his group "cooked up" and it was not aimed at Milpitas, was more for San Francisco or other cities that were not doing their part for the housing crisis.

Suraj Viswanathan, resident, said maybe instead of opposing the bill, perhaps put some suggestions into what the City would recommend in the legislation favorably.

Councilmember Barbadillo asked if there was a certain area in Milpitas that would be affected by this bill.

Planning Manager Jessica Garner replied the area they were speaking of was a broadly defined area, near public transit stops and would affect a large swath of Milpitas.

Councilmember Nuñez noted also additional property that VTA would be putting up for their RFPs, including a parking lot at Great Mall, the corner of Montague and Capitol Expressway, and other properties where zoning could be determined.

Councilmember Barbadillo agreed with Mr. Nuñez, and each City should define its own General Plan, development and zoning, like Milpitas had in its Transit Area Specific Plan. He supported opposing the bill.

Vice Mayor Grilli agreed with the prior two Councilmembers' comments. The bill would affect Milpitas in a negative way and so she supported the letter recommended.

Councilmember Phan asked if the bill allowed an exception for cities that met RHNA numbers. The City Attorney did not think so. Mr. Phan asked if the letter could include mention of the city being supportive, if there were exemptions for those that met RNHA numbers and the City's own goal.

Motion: per request of the League of California Cities through Councilmember Nuñez, to approve the letter opposing Senate Bill 827, transit-rich housing bonus legislation in the state Senate

Motion/Second: Councilmember Nuñez/Vice Mayor Grilli

Motion carried by a vote of: AYES: 5
NOES: 0

11. Assembly Bill 1975

Councilmember Nuñez spoke about the state assembly bill sponsored by local Assemblymember Kansen Chu, who introduced AB 1975 regarding odor. Mr. Nuñez described a meeting he'd attended with the City Engineer along with other city representatives, following which Milpitas was named in the bill.

City Engineer Steve Erickson described the South Bay Stakeholders Group meeting he and Mr. Nuñez had attended. A task force would be formed with the cities of Fremont, San Jose and Milpitas with others to study sources of odor emission. There were five defined steps required to be done, in the proposed bill, to study and report on sources of odor.

Vice Mayor Grilli had asked for a report in February about the stakeholder group and its work, since Council did not really know what they were doing. Mr. Erickson said he could provide that information to the Council.

Councilmember Nuñez said it sounded like the group was more active. He asked the City Attorney about a lawsuit that the group was under. He noticed that the only facilities the group was looking at were actually in San Jose. Do a thorough review and find out which benefits to City of Milpitas.

City Manager Thompson responded to Mr. Nuñez to determine who would respond to the City Council on this issue.

There was no vote taken on this subject.

NEW BUSINESS

12. List of CDBG applications for FY 2018-19

Housing Manager Tim Wong addressed the City Council explaining that staff had provided a list of all organizations that had submitted applications for Community Development Block Grant (CDBG) funds for FY 2018-19.

Councilmember Nuñez asked about no. 9, Milpitas Food Pantry, saying that group had already received from the City reduced rent for its office location (a \$1 rent deal). So, he wanted to know where that showed up. He also inquired about Bridge Housing in the last year. Mr. Wong replied that Bridge did not apply last year for CDBG funding.

Mayor Tran commented on the good work of Bridge Housing and what a good organization it was. He also asked for staff to do outreach to homeless service organizations to potentially apply for CDBG grants.

Councilmember Barbadillo noted that the groups usually come to the City Council public hearing, following Community Advisory Commission recommendations. Mr. Wong then reviewed the schedule upcoming this year for the grant process, up to the public hearings.

Councilmember Nuñez asked if the city ever outlined projects the city would like done, over a year, with CDBG grants. Staff replied no. Mr. Nuñez suggested that the groups could do things that were more specific to the City (e.g. teen use at the Senior Center as a project).

The staff report and information was received by the City Council and no vote was taken.

RESOLUTIONS

13. Resolution regarding new City Manager

City Attorney Chris Diaz presented the resolution and employment agreement with the incoming City Manager Julie Edmonds-Mares. He gave the history of the successful recruitment for the significant top City leadership position. He identified the major points within the agreement.

Mayor Tran wanted what was best for the City of Milpitas, and he thanked Human Resources Director Tina Murphy for the excellent recruitment process, and guiding the Council to success in the hiring of Ms. Edmonds-Mares. He also thanked Interim City Manager Dianne Thompson for her time with the City over the past month.

Councilmember Phan felt the City was fortunate that the decision was made for Julie to be the next top city executive.

Councilmember Nuñez said the change in administration was exciting, and he looked forward to the days to come with a change in the culture and the organization. He believed she would meet with every employee in the first six months.

Next, the Mayor invited public comment.

Suraj Viswanathan hoped the new City Manager would do a great job for the City. He looked at how to treat people who work for the City, in general. Look at the past and prior actions that occurred, with some criticism made. Council needed to respect employees' services.

Voltaire Montemayor, resident, welcomed a new City Manager. Improve if there was need to improve and support each other.

Motion: to adopt Resolution No. 8749 appointing Julie Edmonds-Mares as City Manager and approving an Employment Agreement with her

Motion/Second: Vice Mayor Grilli/Councilmember Phan

Motion carried by a vote of: AYES: 5
NOES: 0

14. Resolution for Complete Streets Policy

City Engineer Steve Erickson explained the rationale for adopting a Complete Streets Policy.

Mayor Tran sought explanation what the resolution would establish related to Measure B ½ cent sales tax funding. Mr. Erickson responded that the measure was approved in 2016, and to be eligible for funding, the City had to adopt a Complete Streets Policy. The Mayor inquired of the amount the city would receive and where the money would go. Staff would provide that figure to the Mayor after the meeting and said funds would go to the City's streets program.

Councilmember Nuñez remarked that regarding bicycles, he did not want to see so-called skinny roads, or road diets, in Milpitas with less road lanes for cars nor special green lanes for bikes.

Motion: to adopt Resolution No. 8750 establishing a Complete Streets Policy that contains elements of complete streets laid out by the Metropolitan Transportation Commission (MTC) for the One Bay Area Grant (OBAG) Cycle 2 guidelines

Motion/Second: Vice Mayor Grilli/Councilmember Nuñez

Motion carried by a vote of: AYES: 5
NOES: 0

AGREEMENTS

***15. Contract with Sierra Traffic Markings Inc.**

1. Awarded the bid and authorized the City Manager to execute a contract with Sierra Traffic Markings, Inc. to provide to provide On-Call Pavement Striping and Marking.
2. Authorized the Purchasing Agent to extend the term of the contract annually, for each of the four option years, with annual price increases per the terms of the contract and without further City Council action, except for the appropriation of funds.

***16. Amendment No. 12 to Agreement with VTA related to BART construction**

Approved Amendment No. 12 to the Master Agreement between the Santa Clara Valley Transportation Authority and the City of Milpitas to extend the term of the agreement to December 31, 2018, relating to the Silicon Valley Rapid Transit Program Berryessa Extension (BART) project.

REPORT OF MAYOR

Mayor Tran asked for everyone's understanding and support for his military obligations. He missed some special meetings when he was out of the city for that service.

ADJOURNMENT

Mayor Tran adjourned the joint meeting at 10:08 PM.

The foregoing minutes were approved by Milpitas City Council on March 6, 2018.

Mary Lavelle
Milpitas City Clerk